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FM AIT TAIPEI
TO RUEHC/SECSTATE WASHDC 3060
INFO RUEHBJ/AMEMBASSY BEIJING 5943
RUEHML/AMEMBASSY MANILA 9842
RUEHUL/AMEMBASSY SEOUL 8250
RUEHGP/AMEMBASSY SINGAPORE 6683
RUEHKO/AMEMBASSY TOKYO 8212
RUEHC/DEPT OF AGRICULTURE WASHDC
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SENSITIVE SIPDIS

STATE PASS USTR, STATE FOR EAP/TC, USTR FOR STRATFORD AND ALTBACH, USDOC FOR 4431/ITA/MAC/AP/OPB/TAIWAN/JDUTTON, USDA/FAS FOR SHEIKH/MIRELES

E.O. 12958: N/A TAGS: <u>EAGR</u> <u>ETRD</u> <u>TW</u>

SUBJECT: POLITICS STILL LOOMS OVER TAIWAN IMPORTS OF U.S.

BEEF

11. (SBU) Summary: In advance of USDA Deputy Undersecretary Lambert's visit, Taiwan Minister of Health Hou Sheng-mou complained to AIT Director Young about politically motivated criticism of DOH and its decision-making process to reopen Taiwan's market to U.S. beef. Hou sought the Director's support to counter such criticism. While noncommittal on specific support, the Director noted the sound science used by Taiwan in reopening its market. End Summary.

Political Situation Surrounding Beef Imports

- 12. (SBU) On November 14, AIT Director Young met with Department of Health (DOH) Minister HOU Sheng-mou to discuss the US beef import situation in advance of USDA Deputy Undersecretary Lambert's visit November 18 20. At the Director's request, DOH Vice Minister Wang Hsiu-hung also attended the meeting, along with Dr. Peter Chang, Director General, International Affairs, DOH, and Dr. HSIAO Tung-ming, Counselor, DOH. Keith Schneller, ATO Director, and Rosemary KAO, AGR Agricultural Specialist, accompanied the Director to the meeting. Dr. HSIAO, until recently the Director General of the Bureau of Food Safety until Minister Hou removed him over importation of contaminated crabs from Shanghai, commented life is good in Taiwan except for the overwhelming pressure from the media.
- (SBU) Minister HOU has been reluctant to discuss the US beef import situation with US officials in the recent past, but requested this meeting because he will not be able to meet Lambert next week. As Minister, Hou explained he must be personally present at the Legislative Yuan (LY) on Monday to respond to any queries LY members may pose. Hou expressed his frustration to the Director over a draft LY investigative report recently circulated for comment. This report, authored by LY members who have been highly critical of the DOH regarding the reopening of the beef market last January, accuses DOH of reopening the Taiwan market to U.S. beef under pressure from the U.S. and without regard to the safety of the imported beef. One of the authors, TSU legislator Lai Hsin-yuan, is trying to attract media attention to her consumer protection efforts and another may have close ties to Australian beef interests. Minister HOU stressed this inflammatory report is politically charged and has nothing to do with scientific realities. However, the report has put

great pressure on DOH to defend its decision making process. Minister HOU said his food safety experts will release a report in the very near future repudiating the charges in the LY report.

Report Summary

14. (SBU) The draft report claims the U.S. pressured DOH to reopen the market without conducting proper risk assessments and ignored guidance from the Council of Agriculture. It claims U.S. beef is still not safe for Taiwan consumers and could affect Taiwan's animal disease situation. It recommends that those DOH officials who made the decision to reopen the market be punished and the market for US beef be immediately suspended. However, Winston Dang, a DPP LY member and retired USG employee is drafting a separate report, which could moderate or significantly change the final report produced by the ad hoc investigative committee.

DOH Decisions in-line with OIE International Standards

15. (U) DIR Young commented that DOH decisions were made in accordance with international standards set by the OIE (The World Organization for Animal Health). He explained Dr. Lambert would be meeting with COA and DOH officials next Monday to update them on BSE safeguards in the United States and to inform them of the recent U.S. petition to the OIE for a risk status classification for U.S. beef. This OIE classification, expected in the spring of 2007, will recognize all types of U.S. beef, including bone-in, as safe-to-trade. The Director stressed U.S. companies would not export any products to Taiwan not deemed safe by U.S. authorities. Minister HOU expressed his appreciation for

support from AIT's Agricultural Section and for Dr. Lambert's visit next Monday.

Hou Seeks U.S. Support

- 16. (SBU) In a private pull aside at the conclusion of the meeting, Hou privately sought the Director's assistance to persuade former President Lee Teng-hui, KMT Chairman Ma Ying-jeou and LY Speaker Wang Jin-pyng not to allow the "zealots" in the LY to attack DOH and its decision to authorize U.S. beef imports for personal political purposes. While the Director was noncommittal on just what support he would offer, he did tell the Minister the U.S. remains comfortable with the science behind Taiwan's decision to open its market to U.S. beef. He noted, too, Japan's later decision to re-open its market to U.S. beef, underscores the validity of Taiwan's decision to follow OIE guidelines in assessing the subject.
- 17. (SBU) Comment: Given that Hou will not be able to meet Lambert during his visit, the Director requested Vice Minister Wang to attend the meeting so she would be fully briefed when she meets Lambert. The Director will be giving a speech on November 21 to the American Chamber of Commerce in Taipei and plans to include a comment supporting Taiwan's sound, scientific process in reopening its market to U.S. beef. End Comment.